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## Pride International Q4 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

Thank you sir. (Operator Instructions). We'll take our first call from Geoff Kieburtz.

#### Geoff Kieburtz - Weeden & Co

Thanks very much. Good morning. I actually just have one question to Randy and to someone from the Continuing, Pride in regards to how you think about the prospect of increased downtime for the rigs? Jackups, mat-jackups, international jackups in the midwater fleet. How long will you keep a rig ready to go before cold stacking it? How do you think about the tradeoff between utilization and day rig?

#### Randall Stilley

I'll start off Geoff, and address that as it reflects our business in U.S. Gulf of Mexico. In this kind of a market with what we're seeing today with very little visibility, we will not wait very long to cold stacking our rig. If we see some opportunities for a rig, we will keep it ready. And if we see things start to improve, we might even consider warm stacking rig rather than cold stacking. But I think, with the current situation that we have, if we don't see any opportunities for a rig over the next 30 days, we are likely to go ahead and cold stack that rig, take it off the market and wait till things improve.

#### Louis Raspino

And Geoff, this Louis; from the Pride perspective fortunately, we're not faced with too many decisions right now, on whether to stack rigs, with the backlog we have and with the contract coverage we have entering '09 is as I discussed. That being said, it's a difficult question to answer in theory because it really depends so much on circumstances. Where a rig is located, what kind of condition the rig is in, what kind of prospects it has. It's really an impossible question to answer theoretically other than to say; practically, we don't spend -- we don't plan to spend a whole lot of money keeping the rig warm stacked that doesn't have potential for work in the near-term.

#### Geoff Kieburtz - Weeden & Co

Do you feel like trading off, you can tradeoff day rates for utilization or couple of the comments made during the prepared comments in that, you don't really feel there's a lot of elasticity to demand based on day rate, is that -- did I understand that correctly?

#### Randall Stilley

In the international markets Geoff, I think the thing we see is there is a lack of prospects. So, I think you could trade day rate down and it's not going to help you get a job. So, I think in this market, it might be that we're in a little bit different situation like you've had in the past, where you can drop day rate a little bit in return for term. I think in '09, clients just will probably not drill because of the commodity prices.

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